

Date **12 May '86**

**ROUTING AND TRANSMITTAL SLIP**

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. <b>EXO/DDA</b>		<b>12<sup>th</sup></b>
2.		
3.		
4. <b>DDA REG.</b>		
5.		

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

**REMARKS**

*D/Oc received a copy.*

*add D/OIT > done 3/12/86*

*D/OTE*

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

Room No.—Bldg.

Phone No.

5041-102

\* U.S.G.P.O.: 1983-421-529/320

**OPTIONAL FORM 41 (Rev. 7-76)**  
 Prescribed by GSA  
 FPMR (41 CFR) 101-11.206

**EXECUTIVE SECRETARIAT****ROUTING SLIP**

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI				
3	EXDIR		X		
4	D/ICS				
5	DDI				
6	DDA		X		
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/OLL				
14	D/PAO				
15	D/PERS				
16	VC/NIC				
17	D/COMMO		X		
18					
19					
20					
21					
22					

SUSPENSE \_\_\_\_\_  
Date \_\_\_\_\_

Remarks

STAT

Executive Secretary

11 Mar 86

Date

3637 (10-81)

## Program on Information Resources Policy

Anthony G. Oettinger  
John C. LeGates  
John F. McLaughlin  
Benjamin M. Compaine  
Oswald H. Ganley

February 14, 1986

Executive Registry
86-1000X

TO: The Mailing List

The enclosed describes work being done on the telecommunications industry at the Harvard Business School. For further information, contact the authors directly.

John C. LeGates



Harvard University



Center for Information Policy Research

Harvard University  
200 Aiken  
Cambridge, Massachusetts 02138  
617-495-4114  
Cable: PIRP Cambridge

**HARVARD UNIVERSITY**  
**GRADUATE SCHOOL OF BUSINESS ADMINISTRATION**  
*GEORGE F. BAKER FOUNDATION*

SOLDIERS FIELD  
BOSTON, MASSACHUSETTS 02163

**TELECOMMUNICATIONS IN TRANSITION:  
MANAGING BUSINESS AND REGULATORY CHANGE**

**New Course Module  
Available February 1986**

**Richard H.K. Vietor  
Davis Dyer  
Editors**

"Telecommunications in Transition" captures the dramatic changes taking place in the recently deregulated telecommunications industry. Once thought of as a single business—that of telephone service—now, at least three separate businesses exist: (1) the local exchange, (2) long distance transmission, and (3) customer premises equipment. In addition, the once distinct technologies of computers and communications have merged into a single technology, that of enhanced telecommunications.

Government regulators have redefined the public interest away from the notion of one system—with universal service—toward consideration of innovation, efficiency, and pricing to cost. The divestiture agreement between AT&T and the U.S. Department of Justice is the most striking illustration of a general trend toward deregulation in the telecommunications industry. Once again, history records the transition from a regulated monopoly to competition: the role of public policy in restructuring a national industry and its ultimate effect on the market, the economy, and how the public interest is best served.

**About the Editors**

Richard Vietor, a professor at the Harvard Business School, teaches courses on regulated business and on the international political economy. He is the author of numerous cases, articles, and books, including most recently, Energy Policy in America Since 1945 (Cambridge University Press, 1984).

Davis Dyer is an associate editor of the Harvard Business Review and a senior research associate at the Harvard Business School. He is the co-author of Renewing American Industry (The Free Press, 1983) and of a forthcoming book on the automobile industry and the American economy.

## **Contents**

The Harvard Business School cases in this course module explore these issues as well as the business realities of existing in a deregulated environment. The following topics on the telecommunications industry under deregulation are broadly covered in the module:

- \* "Telecommunications in Transition." A case revealing how extraordinary changes in technology, public policy, and the marketplace have eroded and finally nullified the dominance of the world's largest company.
- \* "AT&T at the Crossroads, December 1981" and "AT&T and the Access Charge." Two cases describing the point of view of AT&T's top management before and after divestiture.
- \* "InteCom" and "MCI Communications Corporation." Two cases that describe the opportunities and challenges facing competitors in customer premises equipment and long distance communications.
- \* "General Telephone of the Northwest" and "U S WEST." Two cases that explore the continuing regulatory challenges facing two telephone operating companies.
- \* "The FCC and 'Unregulation.'" A summarizing case reporting on the policy options of the FCC in its ongoing regulation of long distance communications.

The course module concludes with an essay on deregulation from both historical and comparative perspectives. Three appendixes are also included, with extensive business descriptions and financial data on 19 major companies in the telecommunications industry. An extensive glossary of terms and a listing of acronyms are presented in the back of the module.

## **Ordering Information**

Copies of the Course Module Telecommunications in Transition are available directly from the Harvard Business School for \$25.00 per copy. Simply write to: HBS Case Services, Morgan 41, Boston, MA 02163, to order your copy. Or, you may call our offices at (617) 495-6117. Our representatives are available Monday-Friday, from 9:00 a.m. to 5:00 p.m.

### **TELECOMMUNICATIONS IN TRANSITION**

Course Module, #9-986-001, 221 pages, \$25.00 (\$12.50 for educational institutions)

Teacher's Manual, #9-986-002, 100 pages, \$25.00 (\$12.50 for educational institutions)

## Program on Information Resources Policy

Anthony G. Oettinger  
John C. LeGates  
John F. McLaughlin  
Benjamin M. Compaine  
Oswald H. Ganley

### March Seminar Schedule

All seminars are held on Mondays between 4:00 and 5:30 pm in Room 241 of the Aiken Computation Laboratory, 33 Oxford Street, Cambridge.

**March 10**

**Robert Pepper**

Director of the Washington Program,  
Annenberg School of Communications  
"Modifying the Modification of the Final  
Judgement"

**March 24**

**Michael Garin**

President, Telepictures  
"Stakes for Independent Television  
Programmers in the New Video Marketplace"

**March 31**

**Steven Koltai**

International Affairs Fellow, Council on  
Foreign Relations  
"The Coronet Television Satellite: A Case  
Study in the New Media"



Harvard University



Center for Information Policy Research

Harvard University  
200 Aiken  
Cambridge, Massachusetts 02138  
617-495-4114  
Cable: PIRP Cambridge  
Telex: 888703 PIRP

UNITED STATES  
OFFICE OF  
PERSONNEL MANAGEMENT  
WASHINGTON, D.C. 20415

OFFICIAL BUSINESS  
Penalty for Private Use, \$300



POSTAGE AND FEES PAID  
OFFICE OF  
PERSONNEL MANAGEMENT  
OPM-245

7016

20505FITHDDCN071 OTD35 1 042

HARRY FITZWATER  
DEPUTY DIR FOR ADMIN.  
CENTRAL INTELLIGENCE AGCY  
WASHINGTON DC 20505



CON 114-14-6  
January 1979